



CITY OF HAYWARD

AGENDA REPORT

AGENDA DATE 10/05/99

AGENDA ITEM 6

WORK SESSION ITEM _____

TO: Mayor and City Council

FROM: Director of Community and Economic Development

SUBJECT: Draft ABAG Projections 2000

RECOMMENDATION:

It is recommended that the City Council review and comment on this report.

BACKGROUND:

The Association of Bay Area Governments (ABAG) has recently released the *Draft Projections 2000* for review and comment by local jurisdictions. ABAG updates its regional forecasts of population, housing, and employment every two years. These forecasts are presented for five-year intervals extending to the year 2020. The local review period ends on October 8, 1999. Once comments have been received and adjustments have been made, ABAG anticipates releasing the final *Projections 2000* document on December 3, 1999.

Projections for the Hayward area are presented in Exhibit A. For the first time, ABAG has provided projections for only that area within the city limits of Hayward. Also included in the table are projections for the larger Hayward area, which includes several small pockets of unincorporated area (i.e., Mt. Eden and Hayward Acres). For comparison purposes, corresponding data from *Projections '98* for the larger Hayward area is presented in Exhibit B.

Draft projections for the Hayward area generally reflect trends and expectations for the region as a whole. The most significant changes from previous ABAG projections are reflected in the considerably higher numbers of both jobs and employed residents now shown for the baseline years (1990, 1995 and 2000). According to ABAG, these changes are a result of further research conducted to reconcile 1990 census data and more recent employment data from other sources. In terms of jobs, continued growth in Hayward is forecast through the year 2020, based on the supply of available industrial land and the attraction of businesses with higher employee densities. However, the projected increase in the number of jobs over the next twenty years (20,000) is slightly less than forecast in *Projections '98* (22,000). With regard to employed residents, the projections show a significantly smaller increase (10,000) compared to *Projections '98* (15,000) despite a higher ratio of workers per household. This change is primarily due to a reduction in the number of new households anticipated by the year 2020 in *Projections 2000* (4,000) as compared to *Projections '98* (6,000). This lower number is due to a slight reduction in the overall long-range housing potential, as well as a reduction in the amount of new housing that is expected to be

constructed by the year 2020. Even with the lower number of anticipated new households, the increase in the total population forecast over the next twenty years is considerably higher (16,000 as compared to 12,000 in *Projections '98*). This apparent discrepancy is due to a continuing increase in the number of persons per household. Average household size, currently estimated at 2.89, is now expected to peak at 3.07 persons per household by 2005 and remain at that level throughout most of the forecast period.

Staff has no significant concerns with the forecasts as presented in draft *Projections 2000*. Staff believes the revised forecasts for the Hayward area are generally reasonable and reflect the short-term and long-term potential for housing and employment growth. The potential for growth was previously reviewed with the City Council during presentation of the 1998 State of the City Report earlier this year. The projections are consistent with the level of development permissible under the existing General Plan. Based on adopted development policies, staff has estimated that the remaining housing potential within the city is approximately 5,600 units. An estimate of the total potential employment is not provided in the General Plan. However, the ABAG forecasts of job growth do reflect potential employment based on the remaining supply of available industrial land and current trends in employee densities.

Staff will be suggesting to ABAG that minor corrections be made in the projections to reflect known baseline data. These corrections are limited to adjustments in the allocations between Hayward's jurisdictional boundaries and the unincorporated county areas, and will not affect the overall totals for the larger Hayward area. For example, the official population of Hayward as of January 1, 1999, was 127,713, according to the state Department of Finance. The corresponding number for 1995 was 123,324. Thus, it appears that the *Projections 2000* estimates for these same years should be adjusted upward to more closely reflect those numbers. In addition, the estimates of households for 1995 and 2000 appear to be somewhat low when compared to city data. The most probable explanation for this discrepancy is that these numbers do not reflect the annexation of approximately 900 dwelling units to the city during 1990 and 1991. Staff also notes that the corresponding numbers for the unincorporated remainder of the larger Hayward area are somewhat high, and by approximately the same amount.

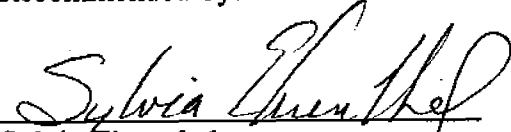
Projections 2000 will influence the next round of regional housing needs determinations. Under state mandate, ABAG has the responsibility to identify each local jurisdiction's "fair share" of the regional housing need, including the proportion of housing affordable to low-and-moderate income households. These housing need numbers are targets that each jurisdiction must address in its own housing element. The housing need determinations are separate and distinct from *Projections 2000*; however, the near-term (2000-2005) household growth forecasts are a basic component of the housing need allocations. In addition, the preliminary draft housing needs methodology now under review by ABAG will also include a jobs/housing balance component. Incorporation of this factor in the methodology will adjust the basic housing need to account for significant imbalances in the projected growth of jobs relative to households. Once the draft housing needs determinations are released by ABAG later this fall, staff will review them with the City Council. Work on updating the city's housing element is anticipated to begin in mid-2000. Pursuant to state law, Bay Area jurisdictions must complete updates of their housing elements by July 1, 2001.

Prepared by:



Gary Calame, Senior Planner

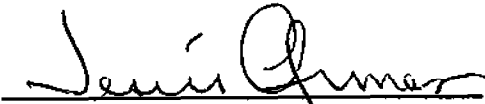
Recommended by:



Sylvia Ehrental

Director of Community and Economic Development

Approved by:



Jesús Armas, City Manager

Attachments: Exhibit A - Draft Projections 2000 for the Hayward Area

Exhibit B - Comparison of Draft Projections 2000 and Projections '98 for the
Hayward Area (larger area only)

9.30.99

Draft Projections 2000
Forecasts for the Hayward Area to the Year 2020
Association of Bay Area Governments

Hayward (City Limits)

Italics show estimates for the Hayward Area (includes Mt. Eden and Hayward Acres)

Year	1990	1995	2000	2005	2010	2015	2020
Total Population	111,343	117,100	124,700	134,100	136,900	139,500	140,100
	<i>117,679</i>	<i>124,200</i>	<i>132,100</i>	<i>141,900</i>	<i>144,900</i>	<i>147,700</i>	<i>148,500</i>
Household Population	109,986	115,600	123,100	132,400	135,200	137,700	139,300
	<i>116,048</i>	<i>122,700</i>	<i>130,400</i>	<i>140,000</i>	<i>143,000</i>	<i>145,700</i>	<i>146,500</i>
Persons Per Household	2.74	2.79	2.90	3.05	3.05	3.05	3.01
	<i>2.75</i>	<i>2.82</i>	<i>2.93</i>	<i>3.07</i>	<i>3.07</i>	<i>3.07</i>	<i>3.00</i>
Households	40,071	41,380	42,400	43,380	44,260	45,160	46,330
	<i>42,123</i>	<i>43,530</i>	<i>44,580</i>	<i>45,610</i>	<i>46,560</i>	<i>47,520</i>	<i>48,760</i>
Workers Per Household	1.67	1.70	1.77	1.86	1.86	1.86	1.82
	<i>1.68</i>	<i>1.72</i>	<i>1.79</i>	<i>1.87</i>	<i>1.88</i>	<i>1.87</i>	<i>1.83</i>
Employed Residents	67,055	70,500	75,100	80,800	82,400	84,000	84,400
	<i>70,871</i>	<i>74,800</i>	<i>79,600</i>	<i>85,500</i>	<i>87,300</i>	<i>89,000</i>	<i>89,400</i>
Total Jobs	76,440	78,570	90,080	93,140	100,890	105,100	109,800
	<i>77,440</i>	<i>79,590</i>	<i>91,120</i>	<i>94,200</i>	<i>101,970</i>	<i>106,200</i>	<i>110,930</i>

Household population does not include group quarters or other group living arrangements.

Draft Projections 2000
Forecasts for the Hayward Area to the Year 2020
Association of Bay Area Governments

Hayward Area (includes Mt. Eden and Hayward Acres)

Italics show estimates from Projections 1998

Year	1990	1995	2000	2005	2010	2015	2020
Total Population	117,679	124,200	132,100	141,900	144,900	147,700	148,500
	<i>117,679</i>	<i>124,200</i>	<i>129,100</i>	<i>133,700</i>	<i>136,200</i>	<i>139,200</i>	<i>141,300</i>
Household Population	116,048	122,700	130,400	140,000	143,000	145,700	146,500
	<i>116,048</i>	<i>122,700</i>	<i>127,700</i>	<i>132,200</i>	<i>134,600</i>	<i>137,500</i>	<i>139,500</i>
Persons Per Household	2.75	2.82	2.93	3.07	3.07	3.07	3.00
	<i>2.75</i>	<i>2.82</i>	<i>2.89</i>	<i>2.91</i>	<i>2.86</i>	<i>2.82</i>	<i>2.78</i>
Households	42,123	43,530	44,580	45,610	46,560	47,520	48,760
	<i>42,123</i>	<i>43,530</i>	<i>44,150</i>	<i>45,490</i>	<i>47,110</i>	<i>48,760</i>	<i>50,100</i>
Workers Per Household	1.68	1.72	1.79	1.87	1.88	1.87	1.83
	<i>1.40</i>	<i>1.29</i>	<i>1.35</i>	<i>1.42</i>	<i>1.46</i>	<i>1.48</i>	<i>1.48</i>
Employed Residents	70,871	74,800	79,600	85,500	87,300	89,000	89,400
	<i>58,959</i>	<i>56,100</i>	<i>59,600</i>	<i>64,600</i>	<i>68,700</i>	<i>72,000</i>	<i>74,100</i>
Total Jobs	77,440	79,590	91,120	94,200	101,970	106,200	110,930
	<i>73,620</i>	<i>74,480</i>	<i>80,490</i>	<i>85,470</i>	<i>92,530</i>	<i>97,630</i>	<i>102,590</i>

Household population does not include group quarters or other group living arrangements.